

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF IOWA**

In re:	)	
	)	Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> ,	)	Case No. 23-00623 (TJC)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	
	)	

**REVISED NOTICE OF JANUARY 22, 2024 HEARING ON OBJECTIONS OF  
CONTRACT COUNTERPARTIES TO SALE ORDER, EXCLUSIVITY MOTION, CASH  
COLLATERAL MOTION, AND CASH MANAGEMENT MOTION**

**TO ALL CREDITORS AND PARTIES IN INTEREST:**

**WHEREAS**, on August 9, 2023, Mercy Hospital, Iowa City, Iowa and certain of its affiliates and subsidiaries (collectively, the “Debtors”) filed *Debtors’ Motion for Entry of Order (I)(A) Approving Bidding Procedures For the Sale of Substantially All of the Debtors’ Assets, (B) Authorizing the Debtors to Provide Stalking Horse Bid Protections, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving the Assumption and Assignment Procedures and (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof; (II)(A) Approving the Sale of the Debtors’ Assets Free and Clear of Liens, Claims, Interests and Encumbrances and (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III) Granting Related Relief* [Docket No. 58] (the “Sale Motion”).

**WHEREAS**, the Sale Motion requested approval of, among other things, disposition of substantially all of the Debtors’ assets or some portion thereof (the “Assets”).

**WHEREAS**, on November 7, 2023, the Court entered its *Order (I) Approving the Sale of Substantially All of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (II) Authorizing the Assumption and Assignment of Contracts and Leases, and (III) Granting Related Relief* [Docket No. 476] (the “Sale Order”).

**WHEREAS**, the Sale Order approved the Sale Motion and the sale of the Assets to the State University of Iowa. Paragraph 21 of the Sale Order also provided that any Contract Counterparty<sup>1</sup> that had timely filed an Objection prior to entry of the Sale Order had until January 12, 2024 to file a formal Contract Objection (to the extent not resolved by agreement with the Debtors).

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<sup>1</sup> Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Sale Order.

**WHEREAS**, on December 5, 2023, the Debtors filed *Debtors' Motion for Entry of Order Extending Exclusive Periods to File Chapter 11 Plan and Solicit Acceptances Thereof* [Docket No. 554] (the "Exclusivity Motion").

**WHEREAS**, on December 6, 2023, Preston Hollow Community Capital, Inc. and Computershare Trust Company, N.A. filed an objection to the Exclusivity Motion [Docket No. 559].

**WHEREAS**, on August 7, 2023, the Debtors filed *Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Operate Their Existing Cash Management System, (B) Maintain Existing Bank Accounts and Business Forms and Honor Certain Prepetition Obligations Related to the Use Thereof, (C) Maintain Purchasing Card Program and Honor Prepetition Obligations Related Thereto, and (D) Continue to Perform Intercompany Transactions; (II) Extending the Time for the Debtors to Comply with 11 U.S.C. § 345(b) Deposit and Investment Requirements; and (III) Granting Related Relief* [Docket No. 14] (the "Cash Management Motion")

**WHEREAS**, on August 8, 2023, the Court granted the Cash Management Motion on an interim basis and, based on representations made on the record at various hearings, the Debtors have continued to operate under that interim order

**WHEREAS**, on August 7, 2023, Mercy Hospital, Iowa City, Iowa and certain of its affiliates and subsidiaries (collectively, the "Debtors") filed *Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing Use of Cash Collateral and Granting Adequate Protection, (II) Scheduling a Final Hearing on the Use of Cash Collateral, and (III) Granting Related Relief* [Docket No. 26] (the "Cash Collateral Motion").

**WHEREAS**, on August 8, 2023 and November 7, 2023, the Court entered orders, on an interim basis, authorizing certain of the relief sought by the Debtors in the Cash Collateral Motion.

**WHEREAS**, on November 30, 2023 the Debtors filed a *Revised Notice of Hearing on Final Cash Collateral Order, Final Cash Management Order, and Reconsideration Motion* [Docket No. 547] setting, among other things, the Cash Management Motion and Cash Collateral Motion for final hearing on December 19, 2023 (the "December 19 Hearing").

**WHEREAS**, on December 7, 2023, the Debtors filed a *Notice of January 22, 2024 Hearing on Objections of Contract Counterparties to Sale Order and Exclusivity Motion* [Docket No. 561] the Contract Objections and the Exclusivity Motion for hearing on January 22, 2024 (the "January 22 Hearing").

**WHEREAS**, on December 18, 2023 the Court entered an *Order Granting Debtors' Motion to Adjourn Hearing Set for December 19, 2023* [Docket No. 581] (the "Adjournment Order"). Pursuant to the Adjournment Order, the Court adjourned and the December 19 Hearing and continued the Cash Collateral Motion and Cash Management Motion to the January 22 Hearing. The Adjournment Order also required the Debtors to file this notice advising all parties-in-interest of the matters currently set for the January 22 Hearing.

**NOTICE IS HEREBY GIVEN THAT** a hearing to consider any Contract Objections to the Sale Order, the Cash Collateral Motion, the Cash Management Motion, and the Exclusivity Motion has been set for **January 22, 2024 at 10:30 A.M. (prevailing Central Time)** at the 6th Floor Courtroom, 111 Seventh Avenue SE, Cedar Rapids, Iowa 52401.

**NOTICE IS FURTHER PROVIDED THAT** any party that wishes to listen in only may use the following dial-in instructions:

**Dialing Number: 888-684-8852**

**Access Code: 7148063**

**Security Code: 0623**

**NOTICE IS FURTHER PROVIDED THAT** the Debtors may set additional matters for consideration at the January 22 Hearing subsequent to this notice.

**DATED** this 19th day of December, 2023

Respectfully Submitted,

**NYEMASTER GOODE, P.C.**

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*Counsel for Debtors and  
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**Certificate of Service**

The undersigned certifies, under penalty of perjury, that on this December 19, 2023, the foregoing document was electronically filed with the Clerk of Court using the Northern District of Iowa CM/ECF and the document was served electronically through the CM/ECF system to the parties of this case

/s/ Roy Leaf